bonafides and antecedents of new exporters should be duly scrutinized and adequate care and caution be exercised in respect of them.

The Committee's recommendations, accepted by the Government, are incorporated in the EXIM Policy|Procedures 1992-97 and Hand Book of Procedure Vol. (II), as amended upto 31st March, 1994, copies of which are available in the Parliament Library.

Global Tender for Mint Machinery

988. SHRI SIKANDER BAKHT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a global tender was floated for Picking, Polishing and Drying Line equipment in July, 1990 for three mints at Hyderabad, Calcutta and Bombay;

(b) whether it is also a fact that two German companies, namely M|s Max Spaleck and M|s. Bak were shortlisted;

(c) whether it is also a fact that M|s. Spaleck in its letter to Finance Secretary stated that an incorrect price comparison had been made by the Evaluation Committee where nearly 3.5 million D.M. had been wrongfully loaded to their offer;

(d) if so, whether Government have any inquiry into the alleged complaint of M|s. Spaleck; and

(e) what action has been taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEHAR MURTHY): (a) Yes, Sir.

(b) Only two offers were received both from German firms, viz. M|s. Spaleck and M|s. Bak.

(c) Yes, Sir.

(d) and (e) On close examination of the case, it was found that the allegation of M|s Spaleck was false and totally baseless.

Smugglers and Hawala Operators

989. SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that economic liberalisation has created a haven for racketeeras, smugglers and hawala operators who are exploiting 'lucrative' schemes to rob the exchequer of foreign exchange worth crores of rupees;

(b) whether his Ministry has at any stage conducted an analysis of recent cases involving hawala transactions, if so, its modus operandi and the Ministry's findings;

(c) the estimated loss of foreign exchange to the Government at different levels; and

(d) the effective steps being taken to bring to book the racketeers exploiting liberalised policies particularly the hawala operators and plug the loopholes in the existing scheme of things?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) The information is being collected and will be laid on the Table of the House.

Foreign institutional investor

990 SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the hawala route has found favour with brokers in their mad scramble to convert their proprietary business cards into corporate cards in a bid to get a piece of the FII business cake;

(b) if so, modus operadi of this racket; and

(c) what effective steps Government have taken to put a stop on this racket?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The information is being